VZCZCXRO2499 RR RUEHAG RUEHROV DE RUEHBS #0960/01 1770509 ZNY CCCCC ZZH(TAO) R 250509Z JUN 08 FM USEU BRUSSELS TO RUEHC/SECSTATE WASHDC INFO RUCNMEM/EU MEMBER STATES COLLECTIVE RUEHAS/AMEMBASSY ALGIERS RUEHAM/AMEMBASSY AMMAN RUEHAK/AMEMBASSY ANKARA RUEHLB/AMEMBASSY BEIRUT RUEHEG/AMEMBASSY CAIRO RUEHDM/AMEMBASSY DAMASCUS RUEHPOD/AMEMBASSY PODGORICA RUEHRB/AMEMBASSY RABAT RUEHVJ/AMEMBASSY SARAJEVO RUEHTV/AMEMBASSY TEL AVIV RUEHTI/AMEMBASSY TIRANA RUEHTRO/AMEMBASSY TRIPOLI RUEHTU/AMEMBASSY TUNIS RUEHVB/AMEMBASSY ZAGREB RUEHJM/AMCONSUL JERUSALEM

C O N F I D E N T I A L SECTION 01 OF 04 USEU BRUSSELS 000960

## SIPDIS

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TAGS: EUN PREL

SUBJECT: THE UNION FOR THE MEDITERRANEAN: BOLD INITIATIVE,

YET MANY HURDLES REMAIN.

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Classified By: Deputy Political Minister Counselor Alyce Tidball for reasons 1.4 (B) and (D)  $\,$ 

11. (U) Summary: The EU's Union for the Mediterranean, originally proposed by French President Sarkozy, will launch on July 13 with an official summit in Paris. The project has been diluted to address other EU Member States' concerns, and many details about the endeavor remain unclear. It also faces several challenges, including Arab state participation, future Presidencies' focus toward the East, and how it will attract private investment. Given its ambitious agenda, the French Presidency will have to devote substantial resources to the project if it is to succeed. END SUMMARY

## Background

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- 12. (U) Nicholas Sarkozy announced his proposal for the "Mediterranean Union" during his presidential campaign in Spring 2007. His original plan was to bring all countries with a Mediterranean coastline into a political, economic, and cultural union founded on the notion of strict equality. Sarkozy said he hoped this Mediterranean Union would create a "space" for the Middle East Peace Process (MEPP) to move forward. Opposing Turkey's accession to the EU, he also offered this as an alternative option for Turkey's future relationship with Europe.
- 13. (C) However, Sarkozy's vision met with staunch criticism from other EU Member States (MS), notably Germany. Johannes Schlicht, Political Officer at the German Permanent Representation to the EU, reiterated to PolOff German conviction that all EU MS must be included in the project. Sarkozy and German Chancellor Angela Merkel reached a compromise in March, 2008 calling for the inclusion of all MS and changing the name from "Mediterranean Union" to "Union for the Mediterranean," (UM). Sarkozy's grand scheme for a new Mediterranean political body was reduced to an evolution of the "Barcelona Process," (BP) the ongoing process of EU-Mediterranean dialogue. Colin Scicluna, Principal EuroMed desk officer in the Middle East/Mediterranean/Gulf Task Force the Council Secretariat, said that, although France is

treating the UM as a brand new initiative, most other participants and observers emphasize its continuity with the RP.

14. (U) Since its creation in 1995, the EU considers the BP the "central instrument" for European-Mediterranean relations. However, due to its lack of visibility and disruptions caused by the Arab-Israeli conflict, most experts declared the BP static. Although the BP focused more on achieving political and democratic reforms in the region, the UM will now focus on concrete projects such as illegal immigration or de-pollution of the Mediterranean Sea. By concentrating on specific projects that also increase visibility, the EU hopes the UM will give new momentum to the BP and enhance the political and institutional dimensions of European-Mediterranean relations.

## Structure

- 15. (C) On May 20, the European Commission (EC) released an outline of the proposed structure of the UM. According to European Commission Desk Officer for the EuroMed Amir Motahari, the BP had lost its original momentum; the new structures proposed by the EC are an attempt to revitalize that process and ensure its continuation. The Commission communication lists three levels of governance: a Co-Presidency, a Joint Permanent Committee, and a Secretariat.
- 16. (C) The Co-Presidency will be held by one EU member and one non-EU member. The Commission proposes a two year

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presidency for the non-EU member; the presidency of the EU side should be the rotating EU presidency for now, and if and when the Treaty of Lisbon comes into force, would be jointly held by the President of the Council, the President of the Commission, and the High Representative. According to Raja Rabia, Counselor for the Mediterranean and Near East at the French Permanent Representation to the EU, France had wanted to hold its co-presidency for two years, but was willing to accept the Commission's compromise. Schlicht from the German Perm Rep said the co-presidency was key to deflecting charges of paternalism by the Mediterranean states, another cause of the current lack of interest in the BP.

- 17. (U) According to the Commission proposal, the Joint Permanent Committee will be made up of Brussels-based officials from all 39 participating countries. Its stated function is to support the work of the Senior Officials and prepare for Summits and Ministerials. The communication leaves open other possibilities such as a crisis response team or a substitute for frequent meetings of the Euro-Med ambassadors.
- 18. (C) The Secretariat's principle responsibility will be the management of various projects undertaken by the UM. The exact size, location and role of the Secretariat are not suggested in the EC communication, and will likely be a subject of debate during both the summit and the November Ministerial in Marseilles, France. Scicluna from the Council Secretariat said that Tunis has asked France for its support to host the secretariat, to which France agreed. Since all 39 members will have to assent for this to occur, there is no guarantee this arrangement will be put into place.
- 19. (U) Projects are a central focus of the UM and will most likely be in the areas of energy security, environment, civil protection and transport. Specific ideas include new sea routes, de-pollution of Mediterranean waters, improvements to maritime security, exploitation of solar power in North Africa, and SME stimulus center, according to Scicluna and the Commission communication.

- 110. (U) As noted above and in multiple press sources, Sarkozy accepted a diluted version of his original grand scheme in order to overcome other MS's objections to the project. However, many interlocutors in Brussels question the potential success of even this less ambitious project. Many questions remain regarding its eventual structure, its viability and its potential impact on the Mediterranean area.
- 111. (C) The EC communication gives only the barest outline of the UM infrastructure, leaving many details to be worked out at the summit, the November ministerial, and other working level meetings over the next six months. There is already disagreement among MS as to the exact role of the Secretariat, and the promise of lengthy clashes among all parties over its location. Schlicht suggested the Germans would support a minor role for the secretariat, providing essentially administrative support, while Rabia said the French envisioned a more activist role. Commission Rep Motahari said Brussels was the logical choice for the home of the secretariat, while MS interlocutors expected non-EU states to argue for a location outside of EU control. Political Officer Yaprack Alp at the Embassy of Turkey said that while her state might be a good candidate for hosting the secretariat, given that it has good relations with Israel, the EU and Arab states, Turkey will not take any leadership role within the UM. The GoT fears that accepting either the non-EU presidency of the UM or acting as the home of the Secretariat would send the wrong message regarding Turkey's essential European identity and work against its aspiration of accession. The role of the Joint Permanent Committee is similarly only suggested at this point with ample room for lengthy debate.

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- 112. (C) There are serious doubts among participants regarding the feasibility of the co-presidency scheme as it now stands. Sagi Karni, Counselor for Political Affairs and Press at the Israeli Mission to the EU, noted the strain a six month EU presidency can place on a foreign ministry, and argued it is unrealistic to think North African and Eastern Mediterranean States can effectively run a 39 member union for two full years. He also said a major reason the EC had proposed a two-year presidency for the Mediterranean side was the small supply of candidates who would allow Israel to participate fully under their presidency. This also makes the GoI skeptical about the feasibility of the UM.
- 113. (U) Another challenge is how the UM will survive the French presidency. Both Israeli PolOff Karni and Turkish PolOff Alp emphasized that the Czech Republic and Sweden, who will hold the two 2009 EU presidencies, have promised to focus on the EU's eastern neighbors, and wondered if the UM will lose momentum even faster that the BP did.
- 114. (C) It is also questionable how Mediterranean states will address the project. Although Sarkozy is quoted in press reports saying the UM could aid the Middle East Peace Process, as Johannes Schlicht conceded, "The UM having positive effects on the Middle East Peace Process is a totally philosophical question" -- interesting to think about, but not well connected to reality. On June 10, Libyan leader Muammar Qadhafi publicly called on Arab leaders to reject offers to join the UM, saying it threatened Arab unity. Scicluna from the Council Secretariat said that Egypt, Jordan, Lebanon, and Morocco have all agreed to participate, although not all may send their Heads of State. Karni from the Israeli mission said the PM of Israel would attend, but that the GoI was not planning on playing a significant role in this UM. Turkish PolOff said that if Turkey and its neighbors were interested in regional infrastructure or environmental projects, they would likely organize it on their own, and not under the auspices of the UM. Because of the perceived anti-Turkish nature of the UM's

origins, officially the GoT is taking a "wait and see" attitude, but Alp said Turkey would likely participate in the summit.

- 15. (C) Another test will be attracting private investment. According to the EC's communication, the UM's "added value will very much depend on its capacity to attract more financial resources for regional projects." Commission Desk Officer Motahari noted that one of the initial goals of the UM was to promote public-private partnerships. Scicluna and Alexandre Zafiriou, Principal Administrator, Middle East/Mediterranean/Gulf Task Force in the Council Secretariat conceded that there has not been much contact with the private sector and that MS's are divided as to whether or not private investment will come forward as it sees more development in the region. Commission, Council Secretariat and MS interlocutors, when asked about what form private funding might take -- DFI, grants, loans, etc. -- all agreed that this detail needed to be worked out in the months ahead, and that raising private funds a task that would most likely fall to the secretariat.
- 116. (U) COMMENT: The UM will need to have stable institutions in place before the end of the French presidency to ensure its long term credibility. Given the long list of internal and external EU priorities the French will face during their presidency, there is no assurance the French will meet this dadline. The French presidency agenda alreadyincluded the reformation of immigration and asylum policies, development of defense structres, energy, and climate change. The Irish rejection of the Treaty of Lisbon has added a crucial extra layer to their workload. The combination of competing priorities among MS, apathy or antipathy from non-EU states, and a lack of attention to detail in the planning and organization so far, may lead the

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UM to the same inert status as the BP. END COMMENT.

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